

SHAPIRO

EXHIBIT D

SUPPLEMENTAL APPRAISAL INFORMATION (CONTINUED)**History/Ownership Activity**

Ownership—According to the title report, the subject property is currently under the ownership of John R. Denzler, Bayview Estates MHP LLC.

3-Year History—No sales involving the subject property have occurred in the last three years.

Marketing Activity—According to a Purchase and Sale Agreement dated March 16, 2006, the subject property is pending sale to Bayview Manor MHP, LLC for \$1,709,750 or \$37,168 per pad site (46 income generating units). The property was not actively marketed. The buyer previously owned the subject property and negotiated the transaction with the seller. This is considered an arms-length transaction with market equivalent terms and conditions.

Assessment and Tax Information

2006 Assessed Value				
Tax I.D. No.	Land	Improvements	Total	2006 Taxes
11812-32-0400	\$410,300	\$544,100	\$954,400	\$11,043.19
Total Taxes & Other Charges				\$11,053.09

The current levy rate for the subject property is \$11.57 per \$1,000 of assessed value. The current assessment equates to \$20,748 per site, or roughly 50% of the concluded market value under continued use "as is." A more detailed discussion of the subject's stabilized tax burden is included in the Income Approach.

Legal Description

The subject's legal description is described in the title report. A copy of this record is found in the Addenda.

Inspection

Date	Name
May 9, 2006	Beth Le Mieux Glander for Wilson Appraisal Service, LLC; Jeanne Marie Wilson inspected the property on May 28, 2006.

Scope of Assignment/Report Presentation

This assignment is a complete narrative appraisal reported in a summary format. The appraisers have not conducted an independent ADA study (which is beyond the firm's expertise), nor have we evaluated the potential value impact on the subject, if any. An ADA report was not available.

HIGHEST AND BEST USE ANALYSIS (CONTINUED)

multi-tenant retail and new professional office buildings. Overall, given the locational characteristics surrounding the subject and the transition that this area of Martin Way is experiencing, continued use as a manufactured home community is recommended only until the current use can be vacated, during which time prices are expected to continue their upward trend.

Marketability—The subject property is an average quality community with average tenant appeal. The site is considered marketable as a manufactured home park based on the pending sale to a willing buyer intending continued use. Manufactured home parks are a popular investment and if the park were to be put up for sale, would more than likely attract a pool of investors very quickly. However, based on our research and land sales presented in this report, if the land were vacant there would be demand from commercial developers looking to high density commercial or multi-family residential development. Overall the marketability under the existing manufactured home park use is concluded as average. Marketability of the site "as vacant" is judged as good.

Financial Feasibility— As an existing use, financial feasibility is implied from the concluded value derived from the market pricing of similar properties. In the case of Wildwood Manufactured Home Park, the property is pending sale for continued use "as is". However, land values in the area are equal to, if not greater than the value under continued use, suggesting limited feasibility. The property is ripe for redevelopment.

Alternative/Maximally Productive Use—In addition to legal, physical, locational, and market considerations, analysis of the subject property as improved requires consideration of alternative uses. If a more productive use is evident, the existing use is not the highest and best use of the property. Demolition and redevelopment is the first use considered.

Based on land comparables researched from the immediate market area, land values were determined to be equal to or in excess of the value of the park "as improved." Closed sales range from \$6.00-\$11.00/SF. Based on these sales and the characteristics of the subject site, a value of \$2,300,000 is concluded for the site "as vacant", or roughly \$9.00/SF. Conversely, valuing the property under continued use "as is" (manufactured home park) using the Income and Sales Approaches suggests a value of \$1,800,000 or \$7.00/SF. The pending sale was previously shown to equate to \$6.60/SF. This information is summarized in the table below:

Land Value "As Vacant"	Value under Continued Use (MHP)
\$9.00/SF	\$7.00/SF (reconciled value)
	\$6.60/SF (pending sale)

However, there are also costs associated with vacating the present use. These include demolition/site clearing as well as legal fees and potential moving costs allocated to existing tenants. Historically in Washington state when parks are redeveloped, the owner must contend with public opposition for displacing residents and removing a viable form of low income housing. It is almost inevitable that plans to provide compensation should be factored in, thus speeding up the redevelopment time line. When these estimated costs are subtracted from the concluded \$2.3 million, the indicated value of \$7.70/SF is much closer, but still in excess of the value under continued use. Therefore, demolition and redevelopment is a viable alternative and one that would likely maximize return to the underlying land. Even though the park will continue to generate income, over the next several years land values will continue to appreciate in the area. Discussions with local

HIGHEST AND BEST USE ANALYSIS (CONTINUED)

agents indicate that already land values in the immediate area reflect asking prices upward towards \$15/SF. Two (pad) sites closer to I-5 along Martin Way near Walmart have sold for \$25 and \$30/SF. The vacant parcel immediately across the street from the subject sold in 2005 for \$10/SF (single use zone) and is listed again at \$15/SF (re-zoned to general commercial).

Other alternative uses to include expansion, renovation or conversion are either not viable or would not lead to any significantly higher value conclusion. Interim continued use "as is" is a reasonable alternative because the park will continue to generate income while the owner pursues redevelopment options. Net income accumulated during this time would act as a direct offset to the costs associated with vacating the park use. Law requires a one-year notice to tenants; during that time residents can start to make other plans for housing. Thus, interim hold is recommended for the subject "as is" with demolition and redevelopment suggested in the near term.

There is evidence of other parks closing in the area to make way for higher and better use of the land. Rose Lawn MHP was a community located within one-half mile of the subject, to the west along the south side of Martin Way. The owner closed the park in late 2004 and has since built a new retail use in 2005. We could not reach the owner for comment regarding relocation costs, etc, but recognize this as a clear example of the redevelopment potential of land in the immediate Hawks Prairie market.

Conclusion, As Improved—Based on the prior analysis, interim hold while the owner pursues future demolition and redevelopment is the highest and best use "as improved".

AS VACANT HIGHEST AND BEST USE

The highest and best use of land or a site as though vacant assumes that a parcel of land is vacant or that it can be made vacant through the demolition of any improvements. The question to be answered in this analysis is: "If the land is vacant, what use would be made of it? That is, what type of building or other improvements (if any) should be constructed on the land?"

Analysis— The site is zoned MHDC, a mixed-use high density zoning district under the jurisdiction of the City of Lacey. This zone allows for a variety of uses including, but not limited to retail uses including activities such as general merchandise, food, apparel and accessories, eating and drinking establishments, shopping goods stores, finance, insurance and real estate, hotels and lodging, health services, and all residential uses with a minimum density of at least twelve units per acre. Physically, the subject is located along Martin Way in an area that has exploded with high-density commercial development over the last several years, with multi-family development within one-half mile east. Increasing land values are evident with the continued large commercial projects in the immediate area. Given the location of this property, surrounding uses and zoning, the highest and best use of the site "as vacant" is high-density commercial development or multi-family residential.

Conclusion, As Vacant—Based on the prior analysis, the subject's highest and best use "as vacant" is high density commercial or multi-family residential development to comply with zoning requirements and compliment surrounding development.